

TOWNSHIP OF BALDWIN
REPORT ON FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2006

AUDITING PROCEDURES REPORT

Issued under P.A. 2 of 1968, as amended. Filing is mandatory.

Local Government Type <input type="checkbox"/> City <input checked="" type="checkbox"/> Township <input type="checkbox"/> Village <input type="checkbox"/> Other		Local Government Name BALDWIN TOWNSHIP	County DELTA
Audit Date MARCH 31, 2006	Opinion Date MAY 1, 2006	Date Accountant Report Submitted to State: MAY 1, 2006	

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the *Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan* by the Michigan Department of Treasury.

We affirm that:

1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.
2. We are certified public accountants registered to practice in Michigan.


We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations

You must check the applicable box for each item below.

- ☐ yes ☒ no 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements.
- ☐ yes ☒ no 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980).
- ☐ yes ☒ no 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended).
- ☐ yes ☒ no 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act.
- ☐ yes ☒ no 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91], or P.A. 55 of 1982, as amended [MCL 38.1132]).
- ☐ yes ☒ no 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit.
- ☐ yes ☒ no 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year).
- ☐ yes ☒ no 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241).
- ☐ yes ☒ no 9. The local unit has not adopted an investment policy as required by P.A. 196 of 1997 (MCL 129.95).

We have enclosed the following:

	Enclosed	To Be Forwarded	Not Required
The letter of comments and recommendations.			X
Reports on individual federal financial assistance programs (program audits).			X
Single Audit Reports (ASLGU).			X

Certified Public Accountant (Firm Name) RAY PAYMENT, CPA			
Street Address 617 LUDINGTON STREET	City ESCANABA	State MI	ZIP 49829
Accountant Signature 			

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May 1, 2006

INDEPENDENT AUDITOR'S REPORT

Honorable Township Board
Township of Baldwin
Delta County, Michigan

I have audited the accompanying general purpose financial statements of the various funds of the Township of Baldwin, Michigan as of and for the year ended March 31, 2006, as listed in the table of contents. These general purpose financial statements are the responsibility of the Township's management. My responsibility is to express an opinion on these financial statements.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America, Government Auditing Standards, issued by the Comptroller General. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

As described in Note 2, the Township of Baldwin prepares its financial statements on a prescribed basis of accounting that demonstrates compliance with the cash basis and budget laws of the State of Michigan, which is a comprehensive basis of accounting other than generally accepted accounting principles.

As described more fully in Note 2, the Township has not maintained a record of its general fixed assets and, accordingly, the General Fixed Assets Account Group is not included in this report, as required by generally accepted accounting principles.

Management has not presented government-wide statements to display the financial position and changes in financial position of its governmental activities, business-type activities, and discretely presented component units. Accounting principles generally accepted in the United States of America require the presentation of government-wide financial statements. The statements of the Township's governmental activities, business-type activities, and discretely presented component units are not reasonably determinable.

May 1, 2006

BALDWIN TOWNSHIP
INDEPENDENT AUDITOR'S REPORT (Continued)

In my opinion, except for the effects of the omission of the general fixed assets and government-wide financial statements as discussed above, the financial statements referred to in the first paragraph present fairly, in all material respects, only the cash and unencumbered cash balances of each of the Township's fund types at March 31, 2006, and revenues received and the expenditures paid to such fund types as discussed in the third paragraph, in conformity with accounting principles generally accepted in the United States of America.

I conducted my audit for the purpose of forming an opinion on the financial statements taken as a whole. The supplementary data are presented for the purpose of additional analysis and are not a required part of the financial statements of Baldwin Township Michigan. Such information has been subjected to the auditing procedures applied in the examination of the financial statements and, in my opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.



Ray L. Payment
Certified Public Accountant

TOWNSHIP OF BALDWIN
COMBINED BALANCE SHEET - CASH BASIS
ALL FUND TYPES AND ACCOUNT GROUPS
MARCH 31, 2006

	<u>Governmental Fund Type</u>		<u>Fiduciary Fund Type</u>
	<u>General</u>	<u>Special Revenue</u>	<u>Economic Development Fund</u>
ASSETS:			
Cash and Interest- Bearing Deposits (Note 3)	\$ 147 556	\$ 57 915	\$ 51 547
TOTAL ASSETS	<u>\$ 147 556</u>	<u>\$ 57 915</u>	<u>\$ 51 547</u>
FUND EQUITY:			
Fund Balance - Unreserved	144 422	51 375	-
Reserved	<u>3 134</u>	<u>6 540</u>	<u>51 547</u>
TOTAL FUND EQUITY	<u>\$ 147 556</u>	<u>\$ 57 915</u>	<u>\$ 51 547</u>

See accompanying notes to financial statements.

TOWNSHIP OF BALDWIN
 COMBINED STATEMENT OF CASH RECEIPTS
 DISBURSEMENTS AND CHANGES IN FUND BALANCES - CASH BASIS
 ALL GOVERNMENTAL FUND TYPES
 YEAR ENDED MARCH 31, 2006

	<u>Governmental Fund Type</u>	
	<u>General</u>	<u>Special Revenue</u>
CASH RECEIPTS:		
Current Property taxes	\$ 19 907	\$ 66 152
Delinquent taxes	1 882	5 647
Interest income	299	128
State revenue sharing	51 183	-
Swamp tax and C.F.R.	9 527	2 124
Liquor license fees	-	537
Charges for services:		
Fire calls	558	-
Tax collection fees and interest	10 833	-
Administration fees	2 700	-
Refunds, reimbursements & miscellaneous	8 663	5 225
Sale of cemetery lots	400	-
Sale of stumpage	60 407	-
	<u>166 359</u>	<u>79 813</u>
TOTAL CASH RECEIPTS		
CASH DISBURSEMENTS:		
Legislative:		
Township board expense and trustees	14 826	-
General Government:		
Township supervisor	7 391	-
Clerk	7 389	-
Treasurer	11 218	-
Pension and payroll taxes	6 933	-
Assessor	18 676	-
Board of Review	1 125	-
Cemetery	7 313	-
Insurance	13 936	-
Township hall and grounds	14 114	-
Recreation	2 031	-
Elections	309	-
Highways, roads and street lights	4 906	68 407
Liquor law enforcement	-	800
Fire protection	8 283	-
Capital expenditures	8 715	-
Sanitary landfill	1 246	-
	<u>128 411</u>	<u>69 207</u>
TOTAL CASH DISBURSEMENTS		
EXCESS OF CASH RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ 37 948	\$ 10 606
FUND BALANCE, April 1, 2005	<u>109 608</u>	<u>47 309</u>
FUND BALANCE, March 31, 2006	<u>\$147 556</u>	<u>\$ 57 915</u>

See accompanying notes to financial statements.

TOWNSHIP OF BALDWIN
 COMBINED STATEMENT OF CASH RECEIPTS, DISBURSEMENTS
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - CASH BASIS
 GENERAL AND SPECIAL REVENUE FUNDS
 MARCH 31, 2006

	General Fund		
	Actual Amount	Budget Amount	Variance Favorable (Unfavorable)
CASH RECEIPTS:			
Property taxes	\$ 19 907	\$ 20 000	\$ (93)
Delinquent property taxes	1 882	1 500	382
Swamp tax and C.F.R.	9 527	8 300	1 227
State revenue sharing	51 183	53 000	(1 817)
Liquor license fees	-	-	-
Charges for services-			
Fire calls	558	200	358
Tax collection and interest	10 833	8 000	2 833
Administration fees	2 700	1 300	1 400
Interest	299	-	299
Refunds and miscellaneous	8 663	1 700	6 963
Sale of cemetery lots	400	100	300
Sale of stumpage	60 407	200	60 207
TOTAL RECEIPTS	166 359	94 300	72 059
CASH DISBURSEMENTS:			
Legislative:			
Township board	14 826	21 700	6 874
General Government:			
Pension and payroll taxes	6 933	8 050	1 117
Township supervisor	7 391	8 500	1 109
Clerk	7 389	8 550	1 161
Treasurer	11 218	12 800	1 582
Assessor	18 676	19 640	964
Board of Review	1 125	1 850	725
Cemetery	7 313	12 000	4 687
Insurance	13 936	16 000	2 064
Township hall and grounds	14 114	15 000	886
Recreation	2 031	4 000	1 969
Elections	309	3 100	2 791
Liquor law enforcement	-	-	-
Fire protection	8 283	8 400	117
Highways, roads & street lights	4 906	5 500	594
Capital expenditures and contingency	8 715	37 610	28 895
Sanitary landfill	1 246	2 500	1 254
TOTAL DISBURSEMENTS	128 411	185 200	56 789
EXCESS OF CASH RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ 37 948	\$ (90 900)	\$ 128 848
FUND BALANCE, April 1, 2005	109 608	109 608	-
FUND BALANCE, March 31, 2006	\$147 556	\$ 18 708	\$ 128 848

See accompanying notes to financial statements.

Special Revenue Funds		
Actual Amount	Budget Amount	Variance Favorable (unfavorable)
\$ 66 152	\$ 60 000	\$ 6 152
5 647	5 000	647
2 124	900	1 224
—	—	—
537	600	(63)
—	—	—
—	—	—
—	—	—
128	—	128
5 225	—	5 225
—	—	—
—	—	—
79 813	66 500	13 313
—	—	—
—	—	—
—	—	—
—	—	—
—	—	—
—	—	—
—	—	—
—	—	—
—	—	—
800	1 600	800
—	—	—
68 407	76 900	8 493
—	—	—
—	—	—
69 207	78 500	9 293
\$ 10 606	\$ (12 000)	\$ 22 606
47 309	47 309	—
\$ 57 915	\$ 35 309	\$ 22 606

TOWNSHIP OF BALDWIN
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2006

NOTE 1 - REPORTING ENTITY

Baldwin Township is located in Delta County and provides services to its residents in many areas including community enrichment and development, and human services. In accordance with the provisions of NGCA Statement 3, certain other governmental organizations are not considered to be part of the Township entity for financial reporting purposes. The criteria established by the NGCA for determining the various governmental organizations to be included in the reporting entity's financial statements include oversight responsibility, scope of public service, and special financial relationships. On this basis, accordingly, the financial statements of certain other governmental organizations are not included in the financial statements of the Township. Educational services are provided through the Mid Peninsula School system which is a separate governmental entity and, therefore, not presented in the financial statements included herein.

BASIS OF PRESENTATION

The financial activities of the Township are recorded in separate funds, categorized as follows:

GOVERNMENTAL FUNDS

General Fund

This fund is used to account for all financial transactions except those provided for in another fund. The Fund includes the general operating expenditures of the Township. Revenues are primarily derived from property taxes, State grants and other intergovernmental revenues.

FIDUCIARY FUNDS

Agency Fund

These funds account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or funds. The only Agency Funds are the Current Tax Collection Fund and the Economic Development Fund.

TOWNSHIP OF BALDWIN
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2006

SPECIAL REVENUE FUNDS

Road and Liquor Funds

These funds are used to account for specific governmental revenues requiring separate accounting because of legal or regulatory provisions or administrative action.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Baldwin Township do not conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of the significant policies.

Basis of Accounting

Governmental Funds

The accounting policies of Baldwin Township do not conform to generally accepted accounting principles as applicable to governmental units in that the cash basis of accounting is utilized by the governmental fund rather than the modified accrual basis of accounting. Consequently, certain revenue and the related assets are recognized when received rather than when earned, and certain expenditures are recognized when paid rather than when the obligation is incurred.

Fiduciary Funds

The Fiduciary Fund is maintained on a cash basis which is consistent with the accounting measurement objectives of the funds. Reporting these funds on a cash basis does not have an effect materially different from reporting them on the accrual or modified accrual basis as required by generally accepted accounting principles.

Fixed Assets

The accounting policies of Baldwin Township as they relate to fixed assets are not in accordance with generally accepted accounting principles in that the general fixed assets are not recorded.

TOWNSHIP OF BALDWIN
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2006

Property Taxes

The Township's 2005 ad valorem tax was levied and collectible on December 1, 2005. It is the Township's policy to recognize revenues from the current tax levy in the current year when the proceeds on this levy are budgeted and made available for the financing of Township operations. Payment from the county which purchases the 2005 delinquent taxes will be recognized as revenue when received in cash.

See schedule on page 16 for levy breakdown and millage rates.

NOTE 3 - CASH AND INTEREST-BEARING DEPOSITS

Deposits are carried at cost. Deposits of the Township are in three banks in the name of Baldwin Township Treasurer. Michigan Compiled Laws, Section 124.91 authorized the Township Treasurer to deposit and invest in the accounts of federally insured banks, credit unions, and savings and loan associations; bonds, securities, and direct obligations of the United States, or any agency or instrumentality of the United States in which the principal and interest is fully guaranteed by the Government National Mortgage Association; United States Government or Federal Agency obligation repurchase agreement; banker's acceptance of United States banks; mutual funds composed of investment vehicles which are legal for direct investment by local units of government in Michigan; and commercial paper rates by two standard rating agencies within the three highest classifications, which matures not more than 270 days after the date of purchase, and which involves no more than 50 percent of any one fund. Michigan law prohibits security in the form of collateral, surety bonds, or other forms for the deposit of public money. Attorney General's Opinion No. 6168 states that public funds may not be deposited in financial institutions located in states other than Michigan. The Township's deposits are in accordance with statutory authority.

Governmental Accounting Standards Board (GASB) Statement 3 risk disclosure for the Township's cash deposits are as follows:

<u>Deposits</u>	<u>Carrying Amount</u>
Noninsured	\$ 157 018
Insured	<u>100 000</u>
TOTAL DEPOSITS	<u>\$ 257 018</u>

TOWNSHIP OF BALDWIN
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2006

NOTE 4 - BUDGETS AND BUDGETARY ACCOUNTING

As set forth in the Township Charter, the Township adopts an annual budget for the General Fund and Special Revenue Funds. The annual budgets are prepared in accordance with the basis of accounting utilized by those funds (cash basis). The Township board is authorized to transfer budgeted amounts within and among departments. Subsequent to year-end, the board adopts an amended budget approving any transfers among departments or additional expenditures. For the current fiscal year the budgeted expenditures for the General Fund and Liquor Fund were not changed in total. The amount budgets are presented on page 7. All appropriations lapse at fiscal year-end.

NOTE 5 - ECONOMIC DEVELOPMENT GRANT

The Township entered into a grant agreement with CUPPAD and the Economic Development Administration to administer a loan to Creten Brothers. The loan was closed in October, 1987 in the amount of \$78,000, of which \$75,000 was paid by the Township to Creten Brothers and \$3,000 for administration fees.

The Township is not liable on this loan to the State, and any money received on the repayment from EDA loans can be used by the Township for more economic development loans in the Township. On January 19, 1993 a loan was made to Branstrom's Grocery for \$35,000 from these monies. A loan was made to Justin Time on November 10, 1999 for \$35,700, to Demeuse Engineering on November 3, 1999 for \$17,340. The cash balance in the Economic Development account at March 31, 2006 was \$51,547.

NOTE 6 - PENSION PLAN

The Township provides pension benefits for its officers and employees through a defined contribution plan through the Municipal Retirement Systems, Inc.

At March 31, 2006 there were seven employees vested in the plan. Participants are vested immediately in an individual flexible annuity. The plan was in lieu of paying social security on officers' wages. The total cost for the year was \$4,420 to the Township.

The contribution rate for the Township is 12 percent of each employee's wage and is funded by the Township.

TOWNSHIP OF BALDWIN
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2006

NOTE 7 - RESERVED FUND BALANCES

The amount in Reserved Fund Balance consists of amounts reserved for future litigation on a property tax dispute.

NOTE 8 - RISK MANAGEMENT

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

NOTE 9 - USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

TOWNSHIP OF BALDWIN
COMBINING BALANCE SHEET - CASH BASIS
SPECIAL REVENUE FUNDS
MARCH 31, 2006

	<u>Road Fund</u>	<u>Liquor Fund</u>
ASSETS:		
Cash	\$ 56 747	\$ 1 168
TOTAL ASSETS	\$ 56 747	\$ 1 168
	<hr/>	<hr/>
FUND BALANCE - Unreserved	\$ 50 207	\$ 1 168
Reserved	<u>6 540</u>	<u>-</u>
TOTAL FUND BALANCE	\$ 56 747	\$ 1 168
	<hr/>	<hr/>

See accompanying notes to financial statements.

TOWNSHIP OF BALDWIN
 COMBINING STATEMENT OF CASH RECEIPTS
 DISBURSEMENTS AND CHANGES IN FUND BALANCE - CASH BASIS
 ALL SPECIAL REVENUE FUNDS
 YEAR ENDED MARCH 31, 2006

	<u>Road Fund</u>	<u>Liquor Fund</u>
CASH RECEIPTS:		
Current property taxes	\$ 66 152	\$ -
Delinquent	5 647	-
Liquor license fees	-	537
Metro Authority maintenance fee	5 225	-
Commercial Forest Reserve	2 124	-
Interest income	<u>128</u>	<u>-</u>
TOTAL CASH RECEIPTS	<u>79 276</u>	<u>537</u>
CASH DISBURSEMENTS:		
Liquor law enforcement	-	800
Road construction	<u>68 407</u>	<u>-</u>
TOTAL CASH DISBURSEMENTS	<u>68 407</u>	<u>800</u>
EXCESS OF CASH RECEIPTS OVER (UNDER) DISBURSEMENTS	\$ 10 869	\$ (263)
FUND BALANCE, April 1, 2005	<u>45 878</u>	<u>1 431</u>
FUND BALANCE, March 31, 2006	<u>\$ 56 747</u>	<u>\$ 1 168</u>

See accompanying notes to financial statements.

TOWNSHIP OF BALDWIN
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL FIDUCIARY FUND TYPES
MARCH 31, 2006

<u>CURRENT TAX COLLECTION FUND</u>	<u>Balance April 1, 2004</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance March 31, 2005</u>
<u>ASSETS</u>				
Cash	\$ -	\$ 941 162	\$ 941 162	\$ -
TOTAL ASSETS	\$ -	\$ 941 162	\$ 941 162	\$ -
 <u>LIABILITIES</u>				
Due to other taxing units:				
State of Michigan	\$ -	\$ 138 596	\$ 138 596	\$ -
Bay de Noc College	-	79 364	79 364	-
Township of Baldwin	-	98 714	98 714	-
Delta County	-	165 803	165 803	-
Intermediate School District	-	53 636	53 636	-
Mid Peninsula Area Schools	-	405 049	405 049	-
TOTAL LIABILITIES	\$ -	\$ 941 162	\$ 941 162	\$ -

TOWNSHIP OF BALDWIN
SCHEDULE OF ASSESSED VALUATION TAX RATES AND LEVIES
YEAR ENDED MARCH 31, 2006

	<u>Baldwin Township General Fund</u>	<u>Baldwin Township Road Fund</u>	<u>Bay de Noc Community College</u>
Taxable valuation	\$ 24 360 925	\$ 24 360 925	\$ 24 360 925
Millage rate	<u>.8907</u>	<u>2.9592</u>	<u>3.5501</u>
Tax Levy	21 692	72 082	86 478
Taxes returned delinquent	<u>1 785</u>	<u>5 930</u>	<u>7 114</u>
Current tax collection	<u>\$ 19 907</u>	<u>\$ 66 152</u>	<u>\$ 79 364</u>

<u>Delta County</u>	<u>Area Public Schools</u>	<u>Intermediate Schools</u>	<u>State of Michigan S.E.T.</u>
\$ 24 360 925	\$ 24 360 925	\$ 24 360 925	\$ 24 360 925
<u>7.1107</u>	<u>25.6086</u>	<u>2.3994</u>	<u>6.0000</u>
173 191	431 455	58 444	146 161
<u>13 035</u>	<u>26 406</u>	<u>4 808</u>	<u>7 701</u>
<u>\$ 160 156</u>	<u>\$ 405 049</u>	<u>\$ 53 636</u>	<u>\$ 138 460</u>

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May 1, 2006

REPORT ON COMPLIANCE AND ON INTERNAL CONTROL
OVER FINANCIAL REPORTING BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
"GOVERNMENT AUDITING STANDARDS"

Baldwin Township Board
Baldwin Township
Delta County, Michigan

I have audited the general purpose financial statements of Baldwin Township as of and for the year ended March 31, 2006, and have issued my report thereon dated May 1, 2006. I conducted my audit in accordance with auditing standards accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether Baldwin Township's general purpose financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests did not disclosed any instances of noncompliance that are required to be reported under Government Auditing Standards.

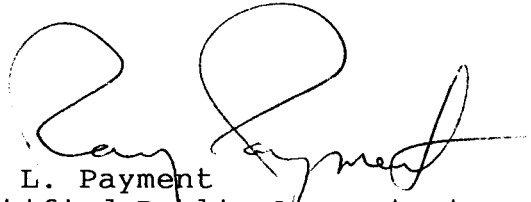
Internal Control Over Financial Reporting

In planning and performing my audit I considered Baldwin Township's internal control over financial reporting in order to determine my audit procedures for the purpose of expressing my opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not

May 1, 2006

necessarily disclose all matter in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

This report is intended solely for the information and use of the audit committee, management, others within the organization, Township Board, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Ray L. Payment
Certified Public Accountant